

215793



2006-286-EG

March 16, 2009

Mr. Charles Terreni
Chief Clerk & Administrator
The Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

COPY
Posted: led
Dept: S.A.
Date: 3/18/09
Time: 2:35

SC PUBLIC SERVICE
COMMISSION

2009 MAR 16 PM 4:32

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Dear Mr. Terreni:

Attached are copies of the Quarterly Report for South Carolina Electric & Gas Company, Electric Retail Operations and Gas Distribution Operations, for the twelve months ended December 31, 2008.

Sincerely,

Kenneth R. Jackson

CW

Attachments

c: John Flitter (ORS)
Jay Jashinsky (ORS)

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MAR 17 2009

PSC SC
DOCKETING DEPT.

CERTIFICATION

I, William B. Timmerman, state and attest, under penalty of perjury, that the attached Quarterly Reports of Retail Electric Operations and Gas Distribution Operations are filed on behalf of South Carolina Electric & Gas Company as required by the Public Service Commission of South Carolina; That I have reviewed said reports and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Signature of Chief Executive Officer

William B. Timmerman

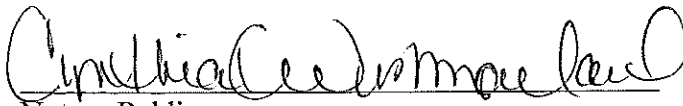
Typed or Printed Name of Person Signing

Chairman of the Board, Chief Executive Officer
Title

3-9-09

Date Signed

Subscribed and Sworn to me on this 9th of March,
2009.


Notary Public

My Commission Expires: 9-13-2011

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SO PUBLIC SERVICE
COMMISSION

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CERTIFICATION

I, Jimmy E. Addison, state and attest, under penalty of perjury, that the attached Quarterly Reports of Retail Electric Operations and Gas Distribution Operations are filed on behalf of South Carolina Electric & Gas Company as required by the Public Service Commission of South Carolina; That I have reviewed said reports and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Signature of Chief Financial Officer

Jimmy E. Addison

Typed or Printed Name of Person Signing

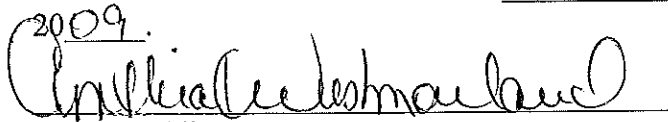
Chief Financial Officer

Title

3/9/09

Date Signed

Subscribed and Sworn to me on this 9th of March, 2009.



Notary Public

My Commission Expires: 9-13-2011

SOUTH CAROLINA ELECTRIC & GAS COMPANY
RETAIL ELECTRIC
OPERATING EXPERIENCE
TWELVE MONTHS ENDED December 31, 2008

<u>DESCRIPTION</u>	<u>PER BOOKS ADJ. FOR REGULATORY ORDERS</u> (\$)	<u>ACCOUNTING & PRO FORMA ADJUSTMENTS</u> (\$)	<u>TOTAL AS ADJUSTED</u> (\$)
	COL. A	COL. B	COL. C
<u>OPERATING REVENUES</u>	<u>2,161,864,796</u>	<u>2,912,766</u>	<u>2,164,777,562</u>
<u>OPERATING EXPENSES</u>			
Fuel Costs	842,964,119		842,964,119
Other O&M Expenses	465,410,642	(7,589,096)	457,821,546
Deprec. & Amort. Expenses	238,632,556	17,662,891	256,295,447
Taxes Other Than Income	130,443,237	5,440,524	135,883,761
Income Taxes	<u>130,286,593</u>	<u>(3,979,283)</u>	<u>126,307,310</u>
Total Operating Expenses	1,807,737,147	11,535,036	1,819,272,183
Operating Return	354,127,649	(8,622,270)	345,505,379
Customer Growth	1,599,641	(38,948)	1,560,693
Int. on Customer Deposits	<u>(538,131)</u>	<u>-</u>	<u>(538,131)</u>
Total Income for Return	<u>355,189,159</u>	<u>(8,661,218)</u>	<u>346,527,941</u>
<u>ORIGINAL COST RATE BASE</u>			
Gross Plant in Service	7,130,991,345	79,505,594	7,210,496,939
Reserve for Deprec.	<u>2,498,851,886</u>	<u>16,476,564</u>	<u>2,515,328,450</u>
Net Plant	4,632,139,459	63,029,030	4,695,168,489
CWIP	510,174,509	(139,742,066)	370,432,443
Net Deferred/Credits	(110,706,666)	(134,810)	(110,841,476)
Accum. Def. Income Taxes	(628,562,285)		(628,562,285)
Materials & Supplies	259,452,201		259,452,201
Working Capital	<u>67,141,642</u>	<u>(948,637)</u>	<u>66,193,005</u>
Total Original Cost Rate Base	<u>4,729,638,860</u>	<u>(77,796,483)</u>	<u>4,651,842,377</u>
 RATE OF RETURN	 7.51%		 7.45%
RETURN ON EQUITY	9.30%		9.18%

Note: The effect of the removal of the City of Orangeburg for SCE&G's system is included in Column A.

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 SC FERC DIVISION

SOUTH CAROLINA ELECTRIC & GAS COMPANY
ANNUALIZED INTEREST EXPENSE

TWELVE MONTHS ENDED December 31, 2008

RATE BASE	\$ 4,806,572,801
LONG-TERM DEBT RATIO	<u>48.97%</u>
	\$ 2,353,778,701
AVERAGE COST OF DEBT	<u>5.77%</u>
ANNUALIZED INTEREST	\$ 135,813,031
TAX BOOK INTEREST	<u>\$ 132,092,020</u>
INTEREST ADJUSTMENT	<u>\$ 3,721,011</u>
ADJUSTMENT TO INCOME TAXES:	
STATE INCOME TAX @ 5%	\$ (186,051)
FEDERAL INCOME TAX @ 35%	<u>\$ (1,237,236)</u>
TOTAL INCOME TAX EFFECT	\$ (1,423,287)
RETAIL ELECTRIC RATE BASE PERCENTAGE	<u>98.40%</u>
	<u>\$ (1,400,506)</u>

SOUTH CAROLINA ELECTRIC & GAS COMPANY
PLANT IN SERVICE, CONSTRUCTION WORK IN PROGRESS, AND RESERVE FOR DEPRECIATION

AT December 31, 2008

	TOTAL PER BOOKS ADJ. FOR REGULATORY <u>ORDERS</u> \$	<u>RATIOS</u> %	ALLOCATED TO RETAIL \$
<u>ELECTRIC PLANT IN SERVICE</u>			
Production	\$ 3,681,190,171	97.67%	\$ 3,595,418,440
Transmission	\$ 734,122,684	97.53%	\$ 715,960,489
Distribution	\$ 2,321,519,304	99.99%	\$ 2,321,310,366
General	\$ 180,674,366	98.42%	\$ 177,816,253
Intangible	\$ 70,378,607	98.42%	\$ 69,265,278
Common	<u>\$ 255,258,488</u>	98.42%	<u>\$ 251,220,519</u>
TOTAL	<u>\$ 7,243,143,618</u>		<u>\$ 7,130,991,345</u>
<u>CONSTRUCTION WORK IN PROGRESS</u>			
Production	\$ 385,811,760	97.67%	\$ 376,822,346
Transmission	\$ 52,630,524	97.53%	\$ 51,328,445
Distribution	\$ 52,581,574	99.99%	\$ 52,576,841
General	\$ 16,955,107	98.42%	\$ 16,686,892
Intangible	\$ 5,460,101	98.42%	\$ 5,373,727
Common	<u>\$ 7,504,981</u>	98.42%	<u>\$ 7,386,258</u>
TOTAL	<u>\$ 520,944,046</u>		<u>\$ 510,174,509</u>
<u>RESERVE FOR DEPRECIATION</u>			
Production	\$ 1,377,205,673	97.67%	\$ 1,345,116,781
Transmission	\$ 227,859,562	97.53%	\$ 222,235,989
Distribution	\$ 730,414,178	99.99%	\$ 730,348,441
General	\$ 107,326,635	98.42%	\$ 105,628,820
Common	<u>\$ 97,057,217</u>	98.42%	<u>\$ 95,521,855</u>
TOTAL	<u>\$ 2,539,863,265</u>		<u>\$ 2,498,851,886</u>

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
RETAIL ELECTRIC OPERATIONS**

AT December 31, 2008

<u>NET DEFERRED DEBITS/CREDITS</u>	<u>PER BOOKS ADJ. FOR REGULATORY ORDERS</u>	<u>ACCOUNTING & PRO FORMA ADJUSTMENTS</u>	<u>TOTAL AS ADJUSTED</u>
Environmental	(195,519)	-	(195,519)
FASB 106 Rate Base Reduction	(78,772,183)	(134,810)	(78,906,993)
Major Maintenance Accrual	(2,155,331)	-	(2,155,331)
Storm Reserve	<u>(29,583,633)</u>	<u>-</u>	<u>(29,583,633)</u>
TOTAL	<u>(110,706,666)</u>	<u>(134,810)</u>	<u>(110,841,476)</u>
<u>MATERIALS & SUPPLIES</u>			
Nuclear Fuel	77,809,370	-	77,809,370
Fossil Fuel	86,890,497	-	86,890,497
Other Materials & Supplies	<u>94,752,334</u>	<u>-</u>	<u>94,752,334</u>
TOTAL	<u>259,452,201</u>	<u>-</u>	<u>259,452,201</u>
<u>WORKING CAPITAL, OTHER THAN MATERIALS & SUPPLIES</u>			
Working Cash	137,451,515	(948,637)	136,502,878
Prepayments	<u>39,373,953</u>	<u>-</u>	<u>39,373,953</u>
Total Investor Advanced Funds	176,825,468	(948,637)	175,876,831
Less: Customer Deposits	(26,920,575)	-	(26,920,575)
Average Tax Accruals	(71,810,308)	-	(71,810,308)
Nuclear Refueling	(6,634,235)	-	(6,634,235)
Injuries & Damages	<u>(4,318,708)</u>	<u>-</u>	<u>(4,318,708)</u>
TOTAL WORKING CAPITAL	<u>67,141,642</u>	<u>(948,637)</u>	<u>66,193,005</u>

SOUTH CAROLINA ELECTRIC & GAS COMPANY
ACCOUNTING & PRO FORMA ADJUSTMENTS
TOTAL ELECTRIC
OPERATING EXPERIENCE
TWELVE MONTHS ENDED
December 31, 2008

ADJ.#	DESCRIPTION	REVENUES	O & M EXPENSES	DEPREC. & AMORT. EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM. DEPREC.	CWP	DEF. DEBITS/ CREDITS & PAYABLES	WORKING CASH
1	ANNUALIZE WAGES, BENEFITS, & PAYROLL TAXES											
	A) ANNUALIZE WAGES, BENEFITS, & PAYROLL TAXES		1,435,704		101,884	(76,879)	(511,248)					179,463
	B) INCENTIVE PAY		(8,477,281)		(526,757)	450,202	2,993,843					(1,059,660)
2	PENSION & HEALTH CARE RELATED ADJUSTMENTS											
	A) PENSION INCOME		(1,994,529)			99,726	693,181					(249,316)
	B) OTHER POST EMPLOYMENT BENEFITS		227,088			(11,354)	(75,507)				(140,227)	28,386
	C) HEALTH CARE		(308,494)			15,475	102,907					(38,687)
3	ELIMINATE EMPLOYEE CLUBS INVESTMENT & EXPENSES		(373,743)	(179,345)		27,654	183,902	(4,816,614)	(1,366,143)	(48,805)		(46,718)
4	ADJUST PROPERTY TAXES				5,943,257	(297,163)	(1,976,133)					
5	SALUDA DAM REMEDIATION PROJECT**			1,204,321		(60,216)	(400,437)	70,018,686	1,204,321			
6A	PROPERTY RETIREMENTS					-	-	(18,619)	(18,619)			
6B	REMOVE CWP ASSOCIATED WITH NEW NUCLEAR GENERATION									(126,770,725)		
7	ANNUALIZED DEPRECIATION			16,904,145		(845,207)	(5,620,628)		16,904,145			
8	CWP					-	-	16,243,184		(16,243,184)		
9	TAX EFFECT OF ANNUALIZED INTEREST					112,302	746,809					
10	CANCELLATION / TERMINATION FEES	(55,940)			(255)	(2,784)	(18,515)					
11	ANNUALIZE INSURANCE EXPENSE		(45,573)			2,279	15,153					(5,697)
12	ANNUALIZE VCS OUTAGE ACCRUAL		972,221			(48,611)	(323,263)					121,528
13	NONRECURRING WELD OVERLAY		646,831			(32,342)	(215,071)					80,854
14	REVENUE ADJUSTMENT FOR RATE INCREASE	2,968,706				148,435	987,095					
	TOTAL ADJUSTMENTS	2,912,766	(7,918,776)	17,929,121	5,518,129	(518,483)	(3,447,912)	81,426,637	16,723,704	(143,062,714)	(140,227)	(989,847)

** Included in anticipation of review in a future rate proceeding.

SOUTH CAROLINA ELECTRIC & GAS COMPANY
ACCOUNTING & PRO FORMA ADJUSTMENTS
RETAIL ELECTRIC
OPERATING EXPERIENCE
TWELVE MONTHS ENDED
December 31, 2008

ADJ. #	DESCRIPTION	REVENUES	O & M EXPENSES	DEPREC. & AMORT. EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM. DEPREC.	CWIP	DEF. DEBITS/ CREDITS & PAYABLES	WORKING CASH
1	ANNUALIZE WAGES, BENEFITS, & PAYROLL TAXES											
	A) ANNUALIZE WAGES, BENEFITS, & PAYROLL TAXES		1,380,243		97,948	(73,910)	(491,498)					172,530
	B) INCENTIVE PAY		(8,149,807)		(506,409)	432,811	2,878,192					(1,018,726)
2	PENSION & HEALTH CARE RELATED ADJUSTMENTS											
	A) PENSION INCOME		(1,917,481)			95,874	637,552					(239,885)
	B) OTHER POST EMPLOYMENT BENEFITS		218,316			(10,916)	(72,590)					27,290
	C) HEALTH CARE		(297,538)			14,877	98,931				(134,810)	(37,192)
3	ELIMINATE EMPLOYEE CLUBS INVESTMENT & EXPENSES		(359,305)	(176,508)		26,791	178,158	(4,740,419)	(1,344,532)	(48,033)		(44,913)
4	ADJUST PROPERTY TAXES				5,849,240	(292,462)	(1,944,872)					
5	SALUDA DAM REMEDIATION PROJECT**			1,176,261		(58,813)	(391,107)	68,387,250	1,176,261			
6A	PROPERTY RETIREMENTS					-	-	(18,303)	(18,303)			
6B	REMOVE CWIP ASSOCIATED WITH NEW NUCLEAR GENERATION									(123,816,967)		
7	ANNUALIZED DEPRECIATION			16,663,138		(833,157)	(5,540,493)		16,663,138			
8	CWIP					-	-	15,877,066		(15,877,066)		
9	TAX EFFECT OF ANNUALIZED INTEREST					109,910	730,899					
10	CANCELLATION / TERMINATION FEES	(55,940)			(255)	(2,784)	(18,515)					
11	ANNUALIZE INSURANCE EXPENSE		(44,852)			2,243	14,913					(5,607)
12	ANNUALIZE VCS OUTAGE ACCRUAL		949,568			(47,478)	(315,731)					118,696
13	NONRECURRING WELD OVERLAY		631,760			(31,588)	(210,060)					78,970
14	REVENUE ADJUSTMENT FOR RATE INCREASE	2,958,706				148,435	987,035					
	TOTAL ADJUSTMENTS	2,912,766	(7,589,096)	17,662,881	5,440,524	(520,167)	(3,459,116)	79,505,594	16,476,564	(139,742,066)	(134,810)	(948,637)

** Included in anticipation of review in a future rate proceeding.

EXHIBIT B

SOUTH CAROLINA ELECTRIC & GAS COMPANY
CAPITAL STRUCTURE
AT December 31, 2008

<u>RETAIL ELECTRIC</u>	<u>CAPITALIZATION</u>	<u>RATIO</u>	<u>EMBEDDED</u>	<u>OVERALL</u>
	\$	%	<u>COST/RATE</u>	<u>COST/RATE</u>
			%	%
LONG-TERM DEBT	2,801,488,400	48.97	5.77	2.82
PREFERRED STOCK	113,758,800	1.99	6.43	0.13
COMMON EQUITY***	<u>2,805,270,242</u>	<u>49.04</u>	<u>9.18</u>	<u>4.50</u>
TOTAL	<u>5,720,517,442</u>	<u>100.00</u>		<u>7.45</u>

*** Includes additional \$100 Million in Equity issued in January 2009.

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY
EARNINGS PER SHARE**

Earnings per share are calculated based on average shares outstanding of Parent Company, SCANA Corporation and Companies, and represent South Carolina Electric & Gas Company's contribution to the Parent's overall earnings.

TWELVE MONTHS ENDED December 31, 2008

NET INCOME AFTER DIV. OF PREF. STOCK	\$265,809,394
EARNINGS PER SHARE	\$2.27
AVG. NUMBER OF SHARES OUTSTANDING	117,001,310

SOUTH CAROLINA ELECTRIC & GAS COMPANY
 RATIO OF EARNINGS TO FIXED CHARGES ¹
 TWELVE MONTHS ENDED December 31, 2008

LINE NO.	\$000's
1 EARNINGS	
2 Net Income	428,525
3 Losses from Equity Investees	(3,013)
4 Total Fixed Charges, As Below	<u>159,723</u>
5 TOTAL EARNINGS	<u>585,235</u>
6 FIXED CHARGES	
7 Interest on Long-Term Debt	141,714
8 Other Interest	10,511
9 Amort. Of Debt Prem. - Discount & Exp. (Net)	3,314
10 Rental Int. Portion	4,184
11 Distribution on Trust Preferred	<u>-</u>
12 TOTAL FIXED CHARGES	159,723
13 Pre-tax earnings required to pay Preference Security Dividend	<u>11,718</u>
14 Total Fixed Charges and Preference Security Dividend	<u>171,441</u>
15 RATIO OF EARNINGS TO FIXED CHARGES	3.41
16 ¹ - SEC COVERAGE	

SOUTH CAROLINA ELECTRIC & GAS COMPANY
TOTAL GAS DISTRIBUTION - OPERATING EXPERIENCE
12 MONTHS ENDED
December, 2008

<u>DESCRIPTION</u>	<u>PER BOOKS ADJ. FOR REGULATORY ORDERS</u>	<u>ACCOUNTING & PRO FORMA ADJUSTMENTS</u>	<u>TOTAL AS ADJUSTED</u>
	<u>COL. A</u>	<u>COL. B</u>	<u>COL. C</u>
	\$	\$	\$
<u>OPERATING REVENUES</u>	<u>571,794,845</u>	<u>4,103,935</u>	<u>575,898,780</u>
<u>OPERATING EXPENSES</u>			
Cost of Gas	432,682,874		432,682,874
Other O&M Expenses	63,557,696	5,607,924	69,165,620
Deprec. & Amort. Expenses	19,881,091	2,824,675	22,705,766
Taxes Other Than Income	15,648,415	1,158,703	16,807,118
Income Taxes	<u>10,683,773</u>	<u>(2,071,527)</u>	<u>8,612,245</u>
Total Operating Expenses	542,453,849	7,519,774	549,973,623
Operating Return	29,340,997	(3,415,839)	25,925,157
Customer Growth	447,538	0	447,538
Int. on Cust. Deposits Net	<u>(145,708)</u>	<u></u>	<u>(145,708)</u>
Total Income For Return	<u>29,642,827</u>	<u>(3,415,839)</u>	<u>26,226,988</u>
<u>ORIGINAL COST RATE BASE</u>			
Gross Plant in Service	730,009,642	(279,187)	729,730,455
Reserve for Depre.	<u>291,289,265</u>	<u>2,700,613</u>	<u>293,989,878</u>
Net Plant	438,720,376	(2,979,800)	435,740,576
CWIP	20,300,863	(229,232)	20,071,631
Accum. Def. Income Taxes	(70,095,235)	0	(70,095,235)
Net Deferred Debits / Credits	(5,732,791)	(26,271)	(5,759,062)
Materials & Supplies	43,005,504	0	43,005,504
Working Capital	2,914,009	700,991	3,615,000
Total Original Cost Rate Base	<u>429,112,726</u>	<u>(2,534,313)</u>	<u>426,578,413</u>
RATE OF RETURN	6.91%		6.15%
RETURN ON EQUITY	<u>8.07%</u>		<u>6.51%</u>

SUPPLEMENTAL SCHEDULE
TO EXHIBIT A

ADJ #	DESCRIPTION	REVENUE	O&M EXPENSE	DEPREC & AMORT EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5.0%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM DEPRE	CWIP	OPEB'S	WORKING CAPITAL
1	ADJUST LATERAL CUSTOMER REVENUE FOR TARIFF RATES	428,381			2,153	21,311	141,721					-
2	ANNUALIZE WAGES, BENEFITS AND PAYROLL TAXES		364,290		25,852	(19,507)	(129,722)					45,536
3	NORMALIZE INCENTIVE COMPENSATION		(1,272,299)		(79,163)	67,573	449,361					(159,037)
4a	PENSION EXPENSE		4,567,187			(228,359)	(1,518,590)					570,898
4b	AMORTIZE DEFERRED PENSION EXPENSE		1,262,250			(63,113)	(419,698)					157,781
5	ANNUALIZE OTHER POST- EMPLOYEE BENEFITS		42,544			(2,127)	(14,146)					5,318
6	REMOVE EMPLOYEE CLUBS		(72,427)	(18,738)		4,558	30,312	(503,260)	(142,740)	(5,099)	(26,271)	(9,053)
7	RECOGNIZE PROPERTY RETIREMENTS, DEPRECIATION RESERVES					-	-	(60)	(60)			-
8	RECOGNIZE PROPERTY ADDITIONS, PLANT IN SERVICE					-	-	224,133		(224,133)		-
9	ANNUALIZE DEPRECIATION- ADJUST RESERVE			2,843,413		(142,171)	(945,435)		2,843,413			-
10	ANNUALIZE PROPERTY TAXES				1,191,387	(59,569)	(396,136)					-
11	CUSTOMER AWARENESS CAMPAIGN EXPENSES		309,190			(15,460)	(102,806)					38,649
12	ANNUALIZE APPROVED REVENUE INCREASE - 2008- 702	3,010,097			15,129	149,748	995,827					-
13	HEALTH CARE		(57,983)			2,899	19,279					(7,248)
14	URQUHART LATERAL	665,457			3,345	33,106	220,152					-
15	MGP FEES		452,866			(22,643)	(150,578)					56,608
16	ANNUALIZE INSURANCE EXPENSE		12,306			(615)	(4,092)					1,538
17	TAX EFFECT OF ANNUALIZED INTEREST					3,580	23,810					-
	TOTAL ADJUSTMENTS	4,103,935	5,607,924	2,824,675	1,158,703	(270,788)	(1,800,740)	(279,187)	2,700,613	(229,232)	(26,271)	700,991

SUPPLEMENTAL
SCHEDULE
TO EXHIBIT A

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
GAS ANNUALIZED INTEREST EXPENSE
12 MONTHS ENDED
December, 2008

RATE BASE	\$429,112,726
LONG-TERM DEBT RATIO	<u>0.4897</u>
	\$210,136,502
AVERAGE COST OF DEBT	<u>0.0577</u>
ANNUALIZED INTEREST	\$12,124,876
TAX BOOK INTEREST	\$12,272,215
INTEREST ADJUSTMENT	<u>(\$147,339)</u>
ADJUSTMENT TO INCOME TAXES:	
STATE INCOME TAX	<u>\$7,367</u>
FEDERAL INCOME TAX	<u>\$48,990</u>
TOTAL INCOME TAX EFFECT	<u>\$56,357</u>

SOUTH CAROLINA ELECTRIC & GAS COMPANY
RATE BASE DETAIL TOTAL GAS OPERATIONS
12 MONTHS ENDED
December, 2008

	PER BOOKS ADJ. FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
<u>NET DEFERRED DEBITS/CREDITS</u>			
	\$	\$	\$
ENVIRONMENTAL	4,481,678	0	4,481,678
PROPANE AIR PLANTS	856,936	0	856,936
FSB 106 RATE BASE REDUCTION	(11,071,405)	(26,271)	(11,097,676)
TOTAL	<u>(5,732,791)</u>	<u>(26,271)</u>	<u>(5,759,062)</u>
<u>MATERIALS & SUPPLIES</u>			
NATURAL GAS STORAGE	42,046,082	0	42,046,082
OTHER M&S	959,422	0	959,422
TOTAL	<u>43,005,504</u>	<u>0</u>	<u>43,005,504</u>
<u>WORKING CAPITAL</u>			
WORKING CASH	7,944,712	700,991	8,645,702
PREPAYMENTS	10,346,691	0	10,346,691
CUSTOMER DEPOSITS	(7,294,696)	0	(7,294,696)
AVERAGE TAX ACCRUALS	(7,323,846)	0	(7,323,846)
INJURIES & DAMAGES	(758,853)	0	(758,853)
TOTAL WORKING CAPITAL	<u>2,914,009</u>	<u>700,991</u>	<u>3,615,000</u>

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
WEIGHTED COST OF CAPITAL**

	AMOUNT PER BOOKS Dec-08 (COL. 1)	CAPITALIZATION RATIO (COL. 2) %	COST OF DEBT RETURN ON EQUITY (COL. 3) %	WEIGHTED COST OF CAPITAL (COL. 4) %
LONG-TERM DEBT	2,801,488,400	48.97%	5.77%	2.82%
PREFERRED STOCK	113,758,800	1.99%	6.43%	0.13%
COMMON EQUITY	2,805,270,242	49.04%	6.51%	3.19%
TOTAL	5,720,517,442	100.00%		6.15%

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY
EARNINGS PER SHARE**

Earnings per share are calculated based on average shares outstanding of Parent Company, SCANA Corporation and Companies, and represent South Carolina Electric & Gas Company's contribution to the Parent's overall earnings.

TWELVE MONTHS ENDED December 31, 2008

NET INCOME AFTER DIV. OF PREF. STOCK	\$265,809,394
EARNINGS PER SHARE	\$2.27
AVG. NUMBER OF SHARES OUTSTANDING	117,001,310

SOUTH CAROLINA ELECTRIC & GAS COMPANY
RATIO OF EARNINGS TO FIXED CHARGES ¹
TWELVE MONTHS ENDED December 31, 2008

LINE NO.		<u>\$000's</u>
1	EARNINGS	
2	Net Income	428,525
3	Losses from Equity Investees	(3,013)
4	Total Fixed Charges, As Below	<u>159,723</u>
5	TOTAL EARNINGS	<u>585,235</u>
6	FIXED CHARGES	
7	Interest on Long-Term Debt	141,714
8	Other Interest	10,511
9	Amort. Of Debt Prem. - Discount & Exp. (Net)	3,314
10	Rental Int. Portion	4,184
11	Distribution on Trust Preferred	<u>-</u>
12	TOTAL FIXED CHARGES	159,723
13	Pre-tax earnings required to pay Preference Security Dividend	<u>11,718</u>
14	Total Fixed Charges and Preference Security Dividend	<u>171,441</u>
15	RATIO OF EARNINGS TO FIXED CHARGES	3.41
16	¹ - SEC COVERAGE	